

TIMBER SALE PROSPECTUS

Sale Name :	Kinzua Heights	Type of Sale :	Premeasured
National Forest :	Allegheny	Ranger District :	Bradford
Bidding Method :	Sealed Bid	Bid Guarantee :	\$16,900.00

Location of Bid Opening : Allegheny National Forest, District Ranger Office, 29 Forest Service Drive, Bradford, PA 16701

Date : 08/28/2014

Time : 02:00 PM

1. INTRODUCTION. This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether or not to further investigate the sale. The prospectus is not a legally binding document, but is offered to provide general information about a sale. The contract does not include descriptions, estimates, and other data in this prospectus, unless otherwise stated. In the event that the prospectus contains an error or contradicts the sample contract, the contract governs. Bidders are urged to examine the timber sale and make their own estimates. Timber sale Contract 2400-6T will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber, and conditions of sale and bidding at Forest Service offices listed above and in the named attached advertisement.

2. BIDDING. This is a Sealed Bid sale. Bidders must submit sealed bids on prepared forms they can obtain from Forest Service offices listed above and in the attached advertisement. The forms include instructions for bidding and submission of the required certifications. A bid guarantee must be included with the bid in the form of cash, a bid bond on form FS-6500-13 (4/82) or later, certification of annual bid bond allocation on form FS-6500-13a (4/82) or later, an irrevocable letter of credit, a certified check, bank draft, cashiers check, official bank check, or bank or postal money order payable to the Forest Service, USDA in the amount specified above and in the bid form. The bid guarantee shall be returned to each bidder whose bid is not accepted.

This is a small business set-aside sale. The Forest Service shall readvertise the sale without restriction on the size of bidders if no self-certifying, qualified small business concern makes a valid bid.

3. LOCATION AND DESCRIPTION OF TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of payment units, location of cutting units, the acreage of sale area, and the cutting unit acreage.

THE FOLLOWING GENERAL LOCATION, ROUTES OF ACCESS, ACREAGES, AND OTHER SPECIAL LOCATION DATA DO NOT SUPERSEDE THE SALE AREA MAP OR SAMPLE CONTRACT.

Timber harvest units for the Kinzua Heights Timber Sale are located approximately five miles West of the Bradford Ranger District Office along SR 59 and SR 328 (Kinzua Heights Road) (Payment Units 05, 06, and 07), and approximately .5 miles North of the SR 59 and SR 328 intersection (Payment Units 01 and 02). Refer to Sale Vicinity and Area maps for locations. The Sale Area encompasses approximately 640 acres. Cutting is confined to 159 acres.

Individual Trees, Leave Tree Marking (LTM), CT 2.356# (Payment Units 02, 06, and 07):

All trees designated as Leave Tree Mark (LTM), as shown on Sale Area Map, are not to be cut when marked with indicated paint above and below stump. Color designations are shown in special provision CT 2.356#. All trees meeting Utilization Standards specified in AT 2, which are not marked as Leave Tree or protected by CT 2.301# (Protected Areas), are designated for cutting.

Individual Trees, Cut Tree Marking (CTM), CT 2.355# (Payment Units 01 and 05):

All trees designated as Cut Tree Mark (CTM), as shown on the Sale Area Map, are designated for cutting with paint at DBH and the stump. Color designations are shown in special provision CT 2.355#.

4. TIMBER QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement. VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED. For these reasons, bidders are urged to examine the timber sale area and make their own estimates.

Road Construction Costs. The advertised rate does not include the estimated cost of specified road construction. The estimated road construction cost has been included in the appraisal as a cost that the purchaser will incur. The purchaser will be responsible for the road construction cost and WILL NOT receive credit towards stumpage costs for this expense, i.e., THIS SALE DOES NOT INCLUDE PURCHASER CREDIT and bidders should consider the cost of road construction when developing their bids.

THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

Estimated Quantities and Rates per Unit of Measure

							Required Deposits	
Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Advertised Rates	Base Rates	Slash Disposal	Road Maintenance
Black Cherry	Sawtimber	CCF	4.00	19.3	\$425.63	\$150.92	\$0.00	\$0.38
Hardwood - Other	Sawtimber	CCF	38.00	17.7	\$41.78	\$41.78	\$0.00	\$0.38
Oak	Sawtimber	CCF	107.00	17.1	\$176.69	\$56.81	\$0.00	\$0.38
Red Maple	Sawtimber	CCF	57.00	14.4	\$87.90	\$47.05	\$0.00	\$0.38
Red & Black Oak	Sawtimber	CCF	495.00	19.6	\$251.67	\$65.05	\$0.00	\$0.38
White Oak	Sawtimber	CCF	114.00	16	\$121.66	\$50.76	\$0.00	\$0.38
Hardwood - Other	Pulpwood	CCF	1,297.00	8.7	\$1.90	\$1.90	\$0.00	\$0.38
TOTAL		CCF	2,112.00				\$0.00	\$802.56

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$50,868.00 is included in total timber value.

5. PERIOD OF CONTRACT. The normal operating season covers the period between 06/15 and 09/30 and between 12/15 and 03/01. Contract termination date is 06/30/2017. Extensions of this contract may be granted only when the purchaser has met specified conditions.

If an appeal or lawsuit is filed challenging the decision to award this contract or upon determination by the Regional Forester that conditions existing on this timber sale are the same as, or nearly the same as, conditions existing on other timber sale(s) in appeal or litigation, Contracting Officer may delay award or reject all bids. If delay in award is for 30 days or more during Normal Operating Season after bid opening, Contracting Officer shall, upon award, adjust the contract term to include additional calendar days in one or more Normal Operating Seasons equal to the time award is delayed during Normal Operating Season.

The purchaser must submit a Plan of Operations to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the Plan of Operations, the purchaser must submit an annual Operating Schedule before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual Operating Schedule does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. The Purchaser may transfer purchaser credit into the contract, or provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. The purchaser shall make advance deposits in accordance with provision B(T)4.212 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the total advertised value plus 20 percent of the bid premium. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until conditions stated in the contract for release of downpayment have been met. Refer to the sample contract for the specific conditions.

By 08/15/2016, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of: (1) 50 percent of the total estimated bid premium, or (2) 35 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

By 10/23/2016, the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of 75 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000 or \$17,000.00 whichever is greater. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 6 months past the contract termination date.

8. SPECIFIED ROADS. The Forest Service has determined that the following National Forest System roads shall be constructed or paid for, in whole or in part, by the timber sale purchaser. Sufficient information to permit a prospective bidder to calculate the likely cost to be incurred for road construction is available at the Forest Supervisor's Office. See the sample contract for verification of specific details and information concerning construction specifications. CONSTRUCTION ESTIMATES AND INFORMATION CONTAINED HEREIN, TOGETHER WITH RELATED SPECIFICATIONS, ARE NOT GUARANTEED. The following roads are those that Forest Service considers necessary to remove the timber from this sale.

Road Number	Road Name	Traffic Service	Approximate Miles/Kilometers	Estimated Road Construction Cost	Type of Work *
511	KINZUA HEIGHTS	D	1 / 1.61	\$7,722.00	C
511A	KINZUA HEIGHTS-A	D	0.5 / 0.8	\$6,337.00	C
510	MORRISON BRANCH	D	0.1 / 0.16	\$4,820.00	R

* C = Construction

R = Reconstruction

The required specified road completion date for all roads is 09/30/2015. If provision C(T)5.13# - Road Completion Date has different dates for projects, this is the final road completion date.

Total estimated construction cost allowed in appraisal is \$19,529.00

The estimated road construction cost includes the cost of road reconstruction engineering services, pursuant to Public Law 88-657, 78 Stat. 1089, 16 U.S.C. 532-537. Refer to provision C(T)5.213# - Deposit for Reconstruction Engineering Services in the sample contract for additional information.

Purchaser shall make a cash deposit in the amount \$650.00 for engineering services completed by Forest Service in preparation of this contract. The Forest Service shall complete reconstruction related engineering services on the following schedule:

Road or Facility No.	Termini From -To (MP or Sta.)	Engineering Services Completion Date
510	0 - .1	07/09/2014

9. ROAD MAINTENANCE. Purchaser shall perform or pay for road maintenance work, commensurate with purchaser's use, on roads controlled by Forest Service, and used by purchaser in connection with this sale. Road maintenance requirements are based on the predicted haul route. Any change in the purchaser's actual haul route may necessitate a change in the roads to be maintained and/or in the amount of required deposit for road maintenance. Required deposits for road maintenance are listed in Section 4 and in the sample contract. Maintenance specifications are in the sample contract.

10. INAPPLICABLE STANDARD PROVISIONS. See sample contract.

11. SPECIAL PROVISIONS. See sample contract.

12. SET-ASIDE SALES. Preferential award of this sale to a self-certifying, qualified small business concern is authorized by section 15 of the Small Business Act of 1958. All bidders shall designate their small business status as specified on the bid form. The bidder, by signing the bid for advertised timber, certifies its small business status and agrees to the provisions of the sample contract including disposal and record keeping. In the absence of any bids from a self-certifying qualified small business concern, the sale will be readvertised without restriction on the size of bidders under 36 CFR 223.103.

The high bidder's size status is subject to verification by the Small Business Administration (SBA). A small business that does not qualify for the program must obtain a recertification of size from SBA before self-certifying again for small business set-aside sales.

The bidder, by signing the bid form, agrees not to sell more than 30 percent of the advertised sawtimber quantities included in this sale to firms not qualifying as small businesses under section 15 of the Small Business Act. Volume distribution requirements do not apply if the sale is readvertised under 36 CFR 223.103 and is awarded without restrictions to bidder size.

13. LOG EXPORT AND SUBSTITUTION RESTRICTIONS. Not Applicable.

14. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW. If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967 and Executive Order No. 12086 of October 5, 1978.

15. AWARD. The Contracting Officer is required to make a determination of bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a purchaser to be responsible, a Contracting Officer must find that:

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer determines that the circumstances were beyond the purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;
- d. The purchaser has a satisfactory record of integrity and business ethics;
- e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;

f. The purchaser is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that, to the best of bidder's knowledge the bidder will meet the requirements in 36 CFR 223.101, determination of purchaser responsibility, and, if awarded this contract, that bidder will complete the timber sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber.

16. FALSE STATEMENTS ACT. Bidders, by signing the bid form, certify that they are aware that bidder is subject to the penalties prescribed in 18 U.S.C. 1001, Chapter 47, Fraud and False Statements (P.L. 104-45). The Act states "whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both."

17. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter's date; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

18. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the bidding. Also, as a timber sale purchaser enters into transactions with subcontractors, these subcontractors must certify their eligibility. The certification titled "Subcontractor Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion" must be provided to subcontractors, but completed certifications are not required to be submitted with bid forms. Purchaser must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for subcontractor transactions are provided as an addendum to the bid form.

19. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) LOGGING REGULATIONS. Conduct of operations on this timber sale is subject to inspection for compliance with the logging operations regulations at 29 CFR 1910.266 by OSHA. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist purchasers to ensure compliance with the logging operations regulations during conduct of this timber sale from the U.S. Department of Labor, Occupational Safety and Health Administration, OSHA, 1128 State ST, STE 200 Erie, PA 16501, (814) 461-1492.

20. GENERAL. Corporations submitting an offer under this solicitation must include form AD-3030-FS, Representations Regarding Felony Conviction and Tax Delinquent Status For Corporate Applicants. Copies of this form may be obtained from the Forest Service office shown on page 1 of this prospectus or electronically at:
<http://www.ocio.usda.gov/policy-directives-records-forms/forms-management/approved-computer-generated-forms>.

U. S. Department of Agriculture Quarantines: Quarantines of forest products against the spread of emerald ash borer (EAB) (entire states of Pennsylvania, Ohio, Michigan, and West Virginia, and southern New York, pine shoot beetle (entire state) and gypsy moth (entire state) are now in effect. Timber from this sale comes from within the quarantined area for emerald ash borer, gypsy moth and pine shoot beetle. The buyer is responsible for understanding and complying with all applicable quarantines, including those in affect in other states. Please contact the regional office of U.S. Department of Agriculture, P.O. Box 1554, Williamsport, PA 17701, telephone 570-322-5784 or see their website: http://www.aphis.usda.gov/plant_health/plant_pest_info/emerald_ash_b/downloads/multistateeab.pdf for further information on regulations, inspections, and certification to move regulated articles out of quarantined areas.

Equipment Cleaning: This sale contains standard provision BT6.35 - Equipment Cleaning. Off road equipment used on this sale (such as skidders, forwarders, and construction equipment) shall be free of noxious weeds of concern, and free of soil, seeds, vegetative matter, or other debris that could contain or hold such seeds, prior to moving onto the Sale Area, and for subsequent moves to other payment units on sale. An appraisal adjustment has been made for the cleaning of such equipment. The Sale Area Map depicts units infested

with specific noxious weed species of concern. Maps of known locations are available for inspection at the Forest Supervisor's office in Warren, PA. A list of noxious weeds of concern to the Forest Service is available for inspection at the same location.

Road Bonding: State and Township roads are subject to weight limit restrictions and may require bonding. Bonding of Township or State roads is the responsibility of Purchaser.

Protection of Improvements (BT6.22) - All Forest System Roads and Trails.

Protection of Improvements (BT6.22) - There are existing fences to protect around the boundaries of Payment Units 02, 06, and 07, and along the North West boundary of Payment Unit 05.

Protection of Improvements not owned by Forest Service (BT6.221) - There are oil and gas wells, pipelines and roads across the Sale Area. Bridge pads may be required to protect pipeline crossings in Payment Units 01, 02 and 05. The mobilization and installation of bridge pads has been considered in the advertised minimum rates. U.S. Energy Corporation (Bradford, PA) shall be contacted prior to skidding in Payment Unit 05. It is unlikely that the Purchaser will be able to use existing oil and gas roads to haul material for Payment Unit 5. It has been planned that Purchaser will skid all material for Payment Unit 5 through Payment Unit 6 and use a common landing along SR 328.

Showing: No formal showing is planned for this sale. If prospective bidders have any questions regarding the sale they should contact the Bradford Ranger District at 814-363-6000. Office hours are 8:00 am - 4:30 pm, Monday - Friday, except holidays.

Temporary Developments: It is estimated that the Purchaser will have to construct 0 landings and install and maintain 4 logging and traffic control signs. All temporary development costs have been considered in the advertised minimum rates.

Seed, Lime, Fertilize, and Mulch Requirements (CT 6.6#): The estimated total area to be treated is approximately 2 acres.

Operating Requirements (CT6.314#): Within PU 01, 05, 06, and 07 cutting and skidding is only permitted during dry or frozen conditions (Soils).

Operating Requirements (CT6.314#): Within Payment Unit 02 cutting and skidding is only permitted during frozen conditions (Resource Protection/Silviculture).

Operating Requirements (CT6.314#): Within Payment Unit 06 cutting and skidding is only permitted from 10/01/2014 through 03/01/2015.

Skidding and Yarding Requirement (CT 6.42#): Within Payment Units 02, 06, and 07, skidding equipment must stay on approved trail locations. Trees will be felled to the lead and products yarded to approved trails by cable. Existing skid trails must be utilized when possible (Silviculture/Regeneration).

Cutting Schedule (CT 6.313#): Payment Unit 06 shall be cut by 03/01/2015. Payment Unit 02 and 07 shall be cut by 3/01/2016. The Release of remaining Payment Units shall be determined upon approval of the Sale Operating Plan.

Slash Disposal Measures (CT 6.7#): Within Payment Unit 06, operational slash shall be pulled back 50 feet from SR 328, and lopped and scattered to lie within three feet of the ground for an additional 50 feet.

NOTICE: Prospective bidders are not permitted to cut ANY timber within a payment unit or sale area of an advertised timber sale, whether designated or non-designated, standing, or downed. Felling or cutting of trees, other than included timber under contract, is a violation of Title 36 of the Code of Federal Regulations Sections 261.6(a) and 261.9(a) and punishable by fines of up to \$5,000.00 and/or six months imprisonment per offense charged.

NOTICE: In accordance with Pennsylvania State Law under Chapter 102 of the Clean Streams Act, all operators conducting timber harvest activities must complete and have available on-site a copy of the E&S Plan provided by the Pennsylvania DEP at: <http://www.elibrary.dep.state.pa.us/dsweb/View/Collection-8747>.

NOTICE: There is no Payment Unit 03 and 04 in the Kinzua Heights Timber Sale. The sale was originally cruised to include these units, but road access issues resulted in deleting both Payment Unit 03 and 04 from the Sale Area.

NOTICE: For safety purposes, the gate on proposed Specified Road FR 511 must be kept closed at all times. During the advertisement, a Forest Service combination lock will be installed on this gate. Please call the Bradford District Office at (814)-363-6000 to receive the lock combination for proposed Specified Road FR 511.

Information regarding this offering can be found on the Allegheny National Forest website at:
<http://www.fs.usda.gov/main/allegheny/workingtogether/contracting>

Sale Value: Total sale value based on advertised rates is \$168,116.48.